

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 2000-752

May 3, 2001

PUBLIC UTILITIES COMMISSION  
Inquiry into Revisions to The Basic  
Service Calling Area Rule, Chapter 204.

PROCEDURAL  
ORDER

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Staff requests that telephone utilities and other interested persons respond or comment on the issues and questions described below. Information received will assist Staff in proposing revisions for the upcoming Basic Service Calling Area (BSCA) rulemaking proceeding. We expect to open the rulemaking in June 2001.

The focus of this Procedural Order will be on alternative number 5 (local calling to contiguous and near-contiguous exchanges), as described in the Notice of Inquiry, as well as on the comments and suggestions previously filed by interested persons in this docket. Those comments include a proposal to modify the threshold criteria for adding an exchange to a calling area. Alternative number 5 was one of the favored solutions as indicated in comments received from telephone utility customers and was thought to be one of the more viable solutions to their calling area needs.

We invite all parties to provide information on any of the following issues:

1. Modify the BSCA rule threshold requirements to determine calling area expansion. The current rule states that every five years each local exchange company will analyze residential toll traffic. Expansions are required where 50% of the customers of one exchange make four or more toll calls per month to one other exchange. Verizon, in its comments filed 10/31/00, suggested that the analysis be performed every three years and that a two-part method be employed. First, the originating exchange customers would have to make three or more toll calls, on average, to the receiving exchange per month. If so, 40% of the originating exchange customers would also have to make at least two toll calls per month to the receiving exchange. Staff assumes the analysis would be for residential customers only, as in the current rule. Verizon also suggested that the analysis not be based solely on the incumbent company's toll volume data. Staff believes that using the incumbent company's data is still a reasonable surrogate for data that would measure calling carried by all carriers and is the most expedient to obtain. Parties are requested to comment on the desirability of the Verizon method and whether it would provide a better indication of a community of interest. Verizon is requested to provide examples of the calculation, comparing the results with the current method. Parties are also requested to discuss the feasibility of obtaining calling volume data from competitive IXCs.

2. Include all contiguous exchanges in the Basic Service Calling Area. The NOI asked for comments on designating calls to all contiguous exchanges and to those exchanges within three miles of any point in the home exchange as a local, or BSCA, call. Telephone utility customers, particularly those in exchanges that may be able to call a major service center exchange but who cannot call nearby neighbors in smaller bordering exchanges, expressed considerable support for this proposal. Verizon, in its 1/30/01 comments, suggested adding all contiguous exchanges to every exchange's BSCA. Verizon, other telephone utilities, and interested persons, are asked to comment. Questions to be considered are: (1) whether to add contiguous or contiguous plus those exchanges within three miles; (2) for pricing purposes, should the contiguous exchanges be part of the economy area, the premium area or some option in between ("economy plus" or simply "contiguous"); (3) what is the revenue impact for incumbent local exchange companies, especially after the May 31, 2001, access charge reduction.
3. Block-of-Time "Selective Calling Service." Verizon, in its 10/31/00 and 1/30/01 comments, proposed a calling plan that would allow customers both to purchase a discounted block of initial usage and to select an exchange or exchanges not already in the premium calling area within thirty miles. The Verizon proposal would have a fixed monthly charge that would include significant usage with a low per-minute rate for additional minutes. The example in the Verizon comments suggested \$10 per month for the first 300 minutes to one other exchange (3.3 cents per minute), excess usage would be approximately five cents per minute and additional exchanges could be added for \$1 per month. We request Verizon and other parties to comment on the proposed block-of-time plan regarding rates, size of initial block, mileage, and application statewide. This plan could replace the Circle Calling plan in the current rule that has been superseded by Pine Tree Calling rates that are more favorable.
4. Comments regarding the waiver provisions of the BSCA rule have addressed the number of signatures required (the lesser of 1,000 or 30% of the customers of an initiating exchange) and the length of time to process waiver requests. L.D. 33, which is pending in the current legislature, if passed, would state that fifty or more customers may petition the Commission for expansion of their local calling area and that the Commission will issue an order within six months (LD 33 would apply only to single exchange calling areas, however). We request comments on revising the waiver provisions. Many Commission rules simply state that the Commission may, for good cause, waive provisions of the rule.
5. Rates for economy and premium calling areas. The current rule requires a price differential between economy and premium calling area plans of \$1.50 per month for monthly rates less than \$15.00 per month and at least 10% for monthly rates greater than \$15.00 per month. Should the differential be widened generally, or in the particular circumstances where there is a significant difference in size from the economy to premium area for a BSCA, or for those BSCA expansions where a

relatively small number of customers make a large number of the toll calls to the receiving exchange?

Parties may file written responses to the questions above by June 1, 2001, either by mail to the Maine PUC, 242 State Street, Augusta, ME, 04333-0018; or by email to [maine.puc@state.me.us](mailto:maine.puc@state.me.us).

Dated: May 3, 2001

Respectfully submitted,

Peter Ballou  
Presiding Officer